

RULE

**Department of Insurance
Office of the Commissioner**

**Regulation 78 – Policy Form Filing Requirements
(LAC 37:XIII.Chapters 59 and 101)**

Under the authority of Louisiana Revised Statutes Title 22, R.S. 49:950 et seq. and R.S. 22:620.A, the Department of Insurance has adopted the following Rule to establish reasonable requirements for insurers who seek to file insurance products in this state for approval. This Rule is necessary to provide for the uniform and practicable administration of the form filing, review and approval requirements of the Louisiana Insurance Code and to assist all insurers doing business in the state of Louisiana in complying with the form filing, review and approval requirements of the Louisiana Insurance Code.

Existing Chapter 59, Regulation 15 – Rules, Rates, and Forms (By Lines) of the Department of Insurance is repealed in its entirety as of the effective date of this proposed regulation.

**Title 37
INSURANCE
Part XIII. Regulations
Chapter 59. Regulation 15 – Rules, Rates, and Forms
(By Lines)**

§5901. Filing Requirements

Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, October 1, 1958, repealed LR 28:2539 (December 2002)

Chapter 101. Regulation 78 – Policy Form Filing Requirements

§10101. Purpose

- A. The purpose of this regulation is:
1. to provide for the uniform and practicable administration of the form filing, review and approval requirements of the Louisiana Insurance Code;
 2. to clarify the disparate provisions of R.S. 22:620.B;
 3. to further protect the interests of insurance consumers and the public through improvements to the form filing, review and approval processes; and
 4. to assist all insurers doing business in the state of Louisiana in complying with the form filing, review and approval requirements of the Louisiana Insurance Code.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and *Directive* 169.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 28:2539 (December 2002).

§10103. Authority

- A. This regulation is adopted pursuant to R.S. 22:3.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and Directive 169.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 28:2539 (December 2002).

§10105. Applicability and Scope; Severability

- A. This regulation applies to all insurers doing business in the state of Louisiana subject to the form filing, review and approval provisions of the Louisiana Insurance Code.
- B. If any provision of this regulation, or its application to any person or circumstance, is held invalid, such determination shall not affect other provisions or applications of this regulation which can be given effect without the invalid provision or application, and to that end, the provisions of this regulation are severable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and Directive 169.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 28:2539 (December 2002).

§10107. Filing and Review of Health Insurance Policy Forms and Related Matters

- A. Definitions.** As used in this Section, the following terms shall have the meaning or definition as indicated herein.

Affirmative Approval – department approval, as a result of the department taking action, following *compliance review* of a complete filing, or a filing pursuant to §4.D hereof.

Association – an organization legally formed for purposes other than the procurement of insurance and, depending upon the particular insurance products in question, meeting the requirements of R.S. 22:215.A(1)(a)(iv), or R.S. 22:215.A(4)(a), or R.S. 22:250.1(5)(b), or R.S. 22:1734(4), whichever is applicable.

Basic Insurance Policy Form – an insurance contractual agreement delineating the terms, provisions and conditions of a particular insurance product. It includes certificates of coverage and any other evidence of coverage, subscriber agreements, application forms where written application is required and is to be attached to the policy or be a part of the contract, and any life or health and accident rider or endorsement form. It does not include policies, riders, or endorsements designed, at the request of the individual policyholder, contract holder, or certificate holder, to delineate insurance coverage upon a particular subject or which relate to the manner of distribution of benefits or to the reservation of rights and benefits under such policy.

Certification of Compliance – certification by an *insurer*, executed by an officer or authorized representative of the *insurer* on a form prescribed by the department, that upon knowledge and belief a filing is complete and in compliance with all applicable statutes, and rules and regulations promulgated by the department. A *Certification of Compliance* must be included with any filing for *certified approval*.

Certified Approval – expedited approval by the department of a complete filing based upon the inclusion of a *Statement of Compliance* and a *Certification of Compliance*, executed by an officer or authorized representative of the filing *insurer* on a form prescribed by the department. The department shall by *directive* determine those specific types of coverages and particular types of contracts for which the *certified approval* procedure is either required or available at the option of the *insurer*.

Complete Filing – the filing of a single insurance product, including any required filing fees, a basic insurance policy form, application form and supplemental application form, if any, to be attached to the policy or be a part of the contract, any life or health and accident rider or endorsement forms, all items required under Subsection C hereof, "General Filing Requirements," and any other requirements as may be set forth in the applicable *Statement of Compliance*.

Compliance Audit – a retrospective review conducted by the department of previously approved basic insurance policy forms to determine compliance with applicable law.

Compliance Review – department review of a filing made pursuant to this Section to determine either that the filing is in compliance with all applicable statutes, rules and regulations, or that the filing should be disapproved for noncompliance.

Deemed Approval – approval of a *complete filing* based upon notice, as provided herein, made to the department by the filing *insurer*, following expiration of the specific time periods as provided herein, where affirmative approval has not been granted and the filing has not been disapproved by the department.

Department – the Louisiana Department of Insurance, and includes the Commissioner of Insurance.

Endorsement – a written agreement attached to an insurance product to add or subtract coverage, or otherwise modify the product.

Insurance Product – a basic insurance policy form delineating the terms, provisions and conditions of a specific type of coverage under a particular type of contract.

Insurer – every person engaged in the business of making contracts of insurance, as further defined in R.S. 22:5. As used in this Section, *insurer* shall also include fraternal benefit societies and health maintenance organizations.

Method of Marketing – marketing either through independent or captive agents; telephone, e-mail or direct mail solicitation; groups, organizations, associations or trusts; and/or the Internet.

Required Filing Fee – the fee assessed per product or filing pursuant to state insurance law.

Rider – an endorsement to an insurance product that modifies clauses and provisions of the product, including adding or excluding coverage.

Statement of Compliance – a form prescribed by the department, detailing the requirements specific to a particular form of coverage and contract type.

Trust – a fund established by an employer, two or more employers in the same industry, a labor union, or an association, pursuant to a trust instrument which transfers title to property and/or funds to one or more trustees to be administered as fiduciaries for the benefit of others, pursuant to R.S. 22:215.A.(1).

B. Filing Required

1. Pursuant to R.S. 22:620.A, no basic insurance policy form, or application form where written application is required and is to be attached to the policy or be a part of the contract, or printed rider or endorsement form, may be issued or delivered in this state unless and until it has been filed with and approved by the commissioner of insurance. This requirement also applies to any group health or accident insurance policy covering residents of Louisiana, regardless of where issued or delivered. Every page of each such form, including rider and endorsement forms, filed with the department must be identified by a form number in the lower left corner of the page.
2. A Health and Accident Transmittal Document must accompany every filing, describing the items included in the filing, the insurance product for which the filing is being made, and the method of marketing to be used for the product. If the filing will include life insurance to be offered as an optional benefit under the base health insurance contract, the policy forms should be submitted in triplicate, notwithstanding the provisions of Paragraph C.2 hereof, and include the appropriate *Statement of Compliance* for said life insurance product.

C. General Filing Requirements

1. The department shall designate, by *directive*, those insurance products which must be filed pursuant to the requirements for *certified approval* as set forth in Subsection F hereof, "Time Periods and Requirements for Certified Approval of Policy Form Filings." A directive issued pursuant to this Subsection may also designate those insurance products which may, at the discretion of the *insurer*, be filed either pursuant to said requirements for Certified Approval, or as ordinary filings subject to review as set forth in Subsection E hereof. All insurance products not so designated shall be filed pursuant to the requirements for Compliance Review as set forth in Subsection E hereof, "Time Periods and Requirements for Compliance Review of Basic Insurance Policy Forms."

2. Other than as specified in Subsection D hereof, "Exceptions," only complete filings will be accepted, whether by mail or as otherwise authorized. In order for the department to conduct a proper compliance review or compliance audit of an insurance product, all items associated therewith must be included. A filing will be determined incomplete and will be disapproved if it does not contain all applicable items.
- a. All filings of an insurance product must include, in final wording, the following items, in order:
- i. required filing fee, per insurance product, per insurance company;
 - ii. completed Health and Accident Transmittal Document, as prescribed by the department;
 - iii. *Statement of Compliance* for said product;
 - iv. policy forms filed for approval, in duplicate;
 - v. application form, in duplicate;
 - vi. rider or endorsement forms, in duplicate;
 - vii. copies of any sample identification card intended for issue to covered persons, in duplicate;
 - viii. initial premium rates and classification of risks; and
 - ix. stamped, self-addressed envelope of sufficient size for use in returning the company's set of the policy forms filed, unless filed electronically.
- b. Filings of policy forms for one or more standardized Medicare Supplement insurance plans, or one or more standardized Medicare Select insurance plans, shall be considered a filing of one insurance product per *insurer*. Such filings must include, in final wording, the following items, in order:
- i. required filing fee, per insurance product, per insurance company;
 - ii. required filing fee for premium rates, rating schedule and supporting documentation; and required filing fee for advertisements;
 - iii. completed Health and Accident Transmittal Document, as prescribed by the department;
 - iv. *Statement of Compliance* for said product;
 - v. policy forms filed for approval, in duplicate;
 - vi. outline of coverage, in duplicate;
 - vii. application form, in duplicate;
 - viii. replacement notice, in duplicate;
 - ix. rider or endorsement forms, in duplicate;
 - x. proposed plan of operation, as set forth in LAC 37:XIII.525.E for Medicare Select insurance plans, in duplicate;
 - xi. premium rates, rating schedule, and supporting documentation, in duplicate;
 - xii. any new related advertising as defined in Rule 3A, §4, in duplicate; and
 - xiii. stamped, self-addressed envelope of sufficient size for use in returning the company's set of the policy forms filed, unless filed electronically.
- c. Filings of policy forms for Long Term Care insurance must include, in final wording, the following items, in order:
- i. required filing fee, per insurance product, per insurance company;
 - ii. completed Health and Accident Transmittal document, as prescribed by the department;
 - iii. *Statement of Compliance* for said product;

- iv. policy forms filed for approval, in duplicate;
 - v. outline of coverage, in duplicate;
 - vi. application form, in duplicate;
 - vii. replacement notice, in duplicate;
 - viii. rider or endorsement forms, in duplicate;
 - ix. premium rates and classification of risks;
 - x. personal worksheet, as per Regulation 46, Appendix B, in duplicate;
 - xi. disclosure, as per Regulation 46, Appendix C, in duplicate;
 - xii. suitability letter, as per Regulation 46, Appendix D, in duplicate;
 - xiii. any new related advertising as defined in Rule 3, 3.4, in duplicate; and
 - xiv. stamped, self-addressed envelope of sufficient size for use in returning the company's set of the policy forms filed, unless filed electronically.
- d. Filings of all group insurance products must include the group master contract, individual certificates or subscriber agreements or other statements of coverage, group application, individual enrollment forms, and any conversion insurance policy and application for conversion, if offered under the group master contract.
- e. Filings of group health and accident products intended for issue to an association are limited to associations as defined herein and must include the association's constitution, by-laws, membership application, membership agreement and brochure of membership benefits other than the insurance products offered.
- f. Filings of group health and accident products intended for issue to a trust are limited to trusts established by an employer or association and must include the trust agreement, articles of incorporation or other instrument creating the trust, and member adoption agreement. If the trust was established by an association, include the information described in Subparagraph C.2.e hereof.
- g. Filings of amendatory riders or endorsements are permitted where the insurance product to be altered was originally certified or granted affirmative approval not more than three years prior to the filing of said amendatory rider or endorsement. Such filings must include specimen copies of the pertinent previously approved or certified forms, the dates previously approved or certified, and the specific terms and provisions being amended, underlined in red or similarly emphasized. Such filings must also include an affidavit, on a form prescribed by the department, affirming that the insurance product, if amended by rider or endorsement as requested, will be fully compliant with all pertinent statutes and regulations. Premium rates and classification of risks are not required with such filings.
- h. Filings of amendatory riders or endorsements, as needed to bring into compliance with law any existing insurance products that have been previously certified or granted *affirmative approval* and are currently in force, but are no longer being marketed, must include specimen copies of the previously approved or certified forms, the dates previously approved or certified, and the specific terms and provisions being amended, underlined in red or similarly emphasized. Premium rates and classification of risks are not required with such filings. The transmittal document should advise that the previously approved or certified form is no longer being marketed.

D. Exceptions. Exceptions to the requirements for a complete filing may be allowed, at the discretion of the department, subject to the conditions stated herein, for the following policy forms.

1. Application forms or enrollment forms to be used with a particular insurance product, or with multiple insurance products, provided that the policy form filings and dates approved are identified for each previously approved product with which the application form or enrollment form will henceforth be used, and the application form or enrollment form is included with any subsequently filed basic insurance policy forms as needed to constitute a complete filing. No filing fees will be required for these filings.
2. Identification Cards. No filing fees will be required for these filings.
3. Medicare Supplement Advertising. Such filings must include statutory filing fees.
4. Long Term Care Advertising. No filing fees will be required for these filings.
5. Medicare Supplement Rate Filings. Such filings must clearly indicate the percentage of increase in rates for each standardized plan and existing pre-standardized plan. Such filings must include statutory filing fees for standardized plans.
6. Exclusionary riders pursuant to R.S. 22:250.11.C; provided that the policy form filings and dates approved are identified for each previously approved product with which the rider form will henceforth be used. No filing fees will be required for these filings. The rider form shall be included with any subsequently filed basic insurance policy forms as needed to constitute a complete filing.
7. Assumption certificates, which must be filed in duplicate, with a single copy of the assumption agreement, letter of domiciliary state approval, information fully identifying the block of business being assumed, the number of covered lives residing in the state of Louisiana to be affected by the assumption, and the effective date of the assumption. No filing fees will be required for these filings.
8. Following approval of a complete filing of a Medicare Supplement insurance product, subsequent filings by the same *insurer* of standardized plans of insurance of the same type do not require inclusion of associated forms such as the replacement notice or plan of operation, unless changes have been made or the plan of operation has changed.
9. Following approval of a complete filing of a Long Term Care insurance product, subsequent filings by the same *insurer* of other Long Term Care products do not require inclusion of associated forms such as the replacement notice, personal worksheet, disclosure notice and suitability letter, unless changes have been made.
10. Forms for lines of insurance or insurance products specifically exempted pursuant to statute.

E. Time Periods and Requirements for Compliance Review of Basic Insurance Policy Forms

1. The time periods stated in this Section do not begin until the date a complete filing, or a filing pursuant to Subsection D hereof, "Exceptions," is received by the department.
2. If a filing made is incomplete, notice of disapproval in accordance with R.S. 22:621(6) will be issued for failure to comply with the requirements of this Regulation.
3. A basic insurance policy form must be submitted to the department in accordance with the "General Filing Requirements" of this Section no less than 45 days in advance of planned issuance, delivery or use.

4. If affirmatively approved by the department prior to expiration of the 45-day period allowed for department review of a filing, the policy forms filed may be used on or after the date approved.
5. If disapproved, the policy forms filed may not be used.
6. At the expiration of 45 days, if no order has been issued affirmatively approving or disapproving a filing, the *insurer* may submit written notice to the department that the filing has been deemed approved on a specific date, or advise when the filing is withdrawn from consideration. Deemed approval shall not be effective until the *insurer* has so notified the department, by either ordinary mail, facsimile transmission or electronic mail.
7. The commissioner of insurance may send written notice prior to expiration of the initial 45-day period extending the time allowed for approval or disapproval by an additional 15 days.
 - a. If affirmatively approved by order of the commissioner prior to expiration of the 15-day extended period allowed for department review, the policy forms filed may be used on or after the date approved.
 - b. At the expiration of the 15-day extended period, if no order has been issued affirmatively approving or disapproving the policy form filing, the *insurer* may submit written notice to the department that the policy forms filing has been deemed approved on a specific date, or advise when the policy forms filing is withdrawn from consideration. Deemed approval shall not be effective until the *insurer* has so notified the department, by either ordinary mail, facsimile transmission or electronic mail.

F. Time Periods and Requirements for *Certified Approval* of Policy Form Filings

1. The department will make available *Statements of Compliance* setting forth the statutory and regulatory requirements specific to the various forms of coverage and contract types, as well as *Certification of Compliance* forms.
2. A policy form filing submitted for *certified approval* must include the following documents: a. *Statement of Compliance* applicable to the form of coverage and contract type being submitted; b. signed and dated *Certification of Compliance*; c. all other items as set forth in Paragraph C.2 hereof.
3. If the filing is incomplete, notice of disapproval in accordance with R.S. 22:621(6) will be issued for failure to comply with the requirements of this Regulation.
4. At the expiration of 15 days from acknowledged receipt of a filing by the department, if no order has been issued affirming *certified approval* or disapproving the policy form filing, the *insurer* may submit written notice to the department that the policy forms filing has been deemed approved on a specific date, or advise when the policy forms filing is withdrawn from consideration. Deemed approval shall not be effective until the *insurer* has so notified the department, by either ordinary mail, facsimile transmission or electronic mail.
5. No *insurer*, or officer, employee or representative of an *insurer*, shall file a *Certification of Compliance* containing false attestations, or from which material facts or information have been omitted. In the event that the department subsequently learns that a *Certification of Compliance* contained any inaccuracies, false attestations, or material omissions, approval of the subject forms may be withdrawn, and the *insurer* may be subjected to the provisions of Subsection I hereof.

G. Resubmission of Filings

1. When submitting revised forms in response to an order of disapproval, or withdrawal of approval, whether issued pursuant to Subsection E, Subsection F or Subsection I hereof, the revised forms will constitute a new filing; must comply with all provisions of this Section for such a filing; and, in addition to the required filing fee, must include:
 - a. an outline of the proposed revisions, referencing the specific sections and page numbers for each form being revised;
 - b. a restatement of the form with all necessary revisions, as set forth in the prior order of disapproval, underlined in red or similarly emphasized; and
 - c. a copy of the prior order of disapproval, or withdrawal of approval, issued by the department on the previous filing.
2. When submitting revisions to previously approved forms, the revised forms will constitute a new filing; must be a complete filing as set forth in Subsection C hereof, "General Filing Requirements"; and, in addition to the required filing fee, must include:
 - a. a copy of the previously approved form;
 - b. an outline of the proposed revisions, referencing the specific sections and page numbers for each previously approved form being revised;
 - c. a restatement of the form, with all proposed revisions underlined in red or similarly emphasized; and
 - d. a copy of the prior order of approval, issued by the department on the previous filing.
3. For simplicity, it is advisable that a unique form number be assigned to a substantially rewritten form, and that such form be filed as an original filing.

H. Compliance and Audits

1. Approval of a basic insurance policy form does not assure perpetual compliance. Following subsequent changes in applicable law, *insurers* shall not fail to revise and file updated insurance products, or amendatory riders or endorsements where appropriate, with the department for approval as required to maintain continuous compliance with the current requirements of law. This provision shall apply to all new business issued, or in-force business renewed, following any such subsequent changes in applicable law, or as otherwise determined by the Louisiana Legislature.
2. A retrospective review process will be utilized to verify compliance of approved filings and to assure that all approved filings remain in compliance with currently applicable law. Compliance audits may be conducted by random selection, prompted by complaints filed with the department or requests for information made by the department, or performed during the course of examinations conducted by the department.
3. *Insurers* shall notify the department in writing to advise when a previously approved basic insurance policy form will no longer be marketed in this state and is being permanently withdrawn from the market. Such notification shall also advise whether or not coverage issued in this state under the policy form remains in force and whether or not such existing business will continue to be renewed. The notification shall provide the policy form numbers being discontinued and dates originally approved by the department.

I. Withdrawal of Approval and Corrective Action

1. The department shall withdraw any affirmative approval of a filing previously granted, or withdraw any approval of a filing previously deemed approved by an *insurer*, if the department determines that any of the reasons for disapproval as stated in R.S. 22:621 apply to the filing in question. The notice of withdrawal of approval by the department shall state that such withdrawal of approval is effective 30 days after receipt of such notice by the affected *insurer*.
 - a. The affected *insurer* may request a hearing on the withdrawal of approval, by written request mailed to the department within 30 days of receipt of the notice of withdrawal of approval.
 - b. Upon receipt by the department of a request for a hearing, the 30-day notice period precedent to withdrawal of approval being effective shall be suspended for the duration of the hearing process, and shall recommence upon the date of a ruling adverse to the *insurer* requesting the hearing. Such suspension of the notice of withdrawal of approval shall be applicable to Paragraphs I.2, 3, 4 and 5 hereof.
2. Upon receipt of the notice of withdrawal of approval by the department, the affected *insurer* must:
 - a. immediately amend its procedures to assure that all in-force business is properly administered in accordance with the findings stated in the withdrawal of approval;
 - b. immediately review and ascertain any negative impact upon covered persons caused directly or indirectly by non-compliant provisions of the forms for which approval has been withdrawn; and
 - c. immediately review other products being marketed by the *insurer* to assure that they do not contain such non-compliant provisions.
3. Within 30 days of receipt of the notice of withdrawal of approval by the department, a corrective action plan must be submitted to the department by the affected *insurer*. The corrective action plan must include the following.
 - a. If the affected product will no longer be marketed, amendatory endorsement forms or rider forms to affect any in-force business written utilizing the noncompliant forms, correcting all areas of non-compliance as stated in the withdrawal of approval by the department; and a prototype of the notice to be utilized in notifying any affected policyholders of the changes to their existing coverage.
 - b. If the *insurer* desires to continue marketing the affected product, both:
 - i. a complete filing of properly revised forms in accordance with Paragraph G.1 hereof; and
 - ii. amendatory endorsement forms or rider forms to affect any in-force business written utilizing the noncompliant forms, correcting all areas of non-compliance as stated in the withdrawal of approval by the department; and a prototype of the notice to be utilized in notifying any affected policyholders of the changes to their existing coverage.
 - c. Where such a required change can be clearly explained to prospective policy holders through amendatory endorsement forms or rider forms. Such approval shall not extend to any reprinting of such forms.
4. As of 30 days following receipt of the notice of withdrawal of approval by the department, an affected product shall not be issued by the *insurer*, except in accordance with a corrective action plan approved by the department. The *insurer* has the obligation to timely notify its marketing force, or to otherwise adjust its business operations, accordingly.

5. The department may, in its discretion, extend the 30-day period for approval of a corrective action plan, upon the written request of the affected *insurer* and for good cause shown. In the event such an extension is granted, the date by which the *insurer* must cease issuing the affected product, except in accordance with a corrective action plan approved by the department, shall likewise be so extended.
6. Failure to timely respond as required herein shall result in a formal investigation to establish the extent of statutory violations, followed by an administrative hearing to determine appropriate sanctions against the *insurer*.
7. Where the department fails to respond to a corrective action plan filed by an insurer, or takes no action whatsoever regarding such plan, the insurer may deem the subject corrective action plan approved at the expiration of the 30-day period for approval by the department.

J. Appeals; Hearings. Any *insurer* or other person aggrieved by a failure to approve any filing, or the disapproval of any filing, or the withdrawal of approval of any filing, or any related action taken by the department pursuant to this Section, may request an administrative hearing in accordance with the provisions of Part XXIX of Title 22 of the Louisiana Revised Statutes. Pursuant to R.S. 22:1351, such demand must be in writing, must specify in what respects the company is aggrieved and the grounds to be relied upon as basis for relief to be demanded at the hearing, and must be made within 30 days of receipt of actual notice or, if actual notice is not received, within 30 days of the date such *insurer* or other person learned of the act, or failure to act, upon which the demand for hearing is based.

K. Maintenance of Records; Alteration of Forms Prohibited

1. Every *insurer* or other person filing policy forms, or related forms, for approval by the department shall maintain in their files the original set of any and all forms as returned by the department, along with all related correspondence and transmittal documents from the department. Alternatively, images of such documents may be maintained in electronic/digital form. Such files shall be available for inspection by the department upon request, and must be maintained until the forms have been withdrawn from the market in accordance with Paragraph H.3 hereof and no coverage issued on risks in this state utilizing such forms remains in force.
2. The alteration of, or any change to, any such form approved by the department is prohibited. Any such altered or changed form shall be submitted to the department as a new filing, and shall comply with all provisions of this Section applicable to a new filing. This Subsection shall not apply to typographical corrections and format improvements that do not affect the terms, provisions or clarity of the product.
3. A change of company name or logo, a change of address, and changes in listed officers do not require a new filing of forms when the department is otherwise properly notified of such change, and a copy of such notification is maintained on file by the *insurer*.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and *Directive* 169.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 28:2539 (December 2002).

§10109. Filing and Review of Life and Annuity Insurance Policy Forms and Related Matters

A. Definitions. As used in this Section, the following terms shall have the meaning or definition as indicated herein.

Affirmative Approval – department approval, as a result of the department taking action, following *compliance review* of a complete filing, or a filing pursuant to Subsection D hereof.

Association – an organization which has been formed for purposes other than procuring insurance for the members or employees.

Basic Insurance Policy Form – an insurance contractual agreement delineating the terms, provisions and conditions of a particular insurance or annuity product. It includes certificates of coverage, application forms where written application is required and is to be attached to the policy or be a part of the contract, and any life or health and accident rider or endorsement form. It does not include policies, riders, or endorsements designed, at the request of the individual policyholder, contract holder, or certificate holder, to delineate insurance coverage upon a particular subject or which relate to the manner of distribution of benefits or to the reservation of rights and benefits under such policy.

Certification of Compliance – certification by an *insurer*, executed by an officer or authorized representative of the *insurer* on a form prescribed by the department, that upon knowledge and belief a filing is complete and in compliance with all applicable statutes, and rules and regulations promulgated by the department. A *Certification of Compliance* must be included with any filing for Certified Approval.

Certified Approval – expedited approval by the department of a complete filing based upon the inclusion of a *Statement of Compliance* and a *Certification of Compliance*, executed by an officer or authorized representative of the filing *insurer* on forms prescribed by the department. The department shall by *directive* determine those specific types of coverage and particular types of contracts for which the *certified approval* procedure is either required or available at the option of the *insurer*.

Complete Filing – the filing of a single insurance product, including any required filing fees, a basic insurance policy form, application form and supplemental application form, if any, to be attached to the policy or be a part of the contract, any life or health and accident rider or endorsement forms, all items required under Subsection C hereof, "General Filing Requirements," and any other requirements as may be set forth in the applicable *Statement of Compliance*.

Compliance Audit – a retrospective review conducted by the department of previously approved basic insurance policy forms to determine compliance with applicable law.

Compliance Review – department review of a filing made pursuant to this Section to determine either that the filing is in compliance with all applicable statutes, rules and regulations, or that the filing should be disapproved for noncompliance.

Deemed Approval – approval of a complete filing based upon notice, as provided herein, made to the department by the filing *insurer*, following expiration of the specific time periods as provided herein, where *affirmative approval* has not been granted and the filing has not been disapproved by the department.

Department – the Louisiana Department of Insurance, and includes the commissioner of insurance.

Endorsement – a written agreement attached to an insurance product to add or subtract coverage, or otherwise modify the product.

Insurance Product – a basic insurance policy form delineating the terms, provisions and conditions of a specific type of coverage under a particular type of contract.

Insurer – every person engaged in the business of making contracts of insurance, as further defined in R.S. 22:5. As used in this Section, *insurer* shall also include fraternal benefit societies.

Method of Marketing – marketing either through independent or captive agents; telephone, email or direct mail solicitation; groups, organizations, associations or trusts; and/or the Internet.

Required Filing Fee – the fee assessed per product or filing pursuant to state insurance law.

Rider – an endorsement to an insurance product that modifies clauses and provisions of the product, including adding or excluding coverage.

Statement of Compliance – a form prescribed by the department detailing the requirements specific to a particular form of coverage and contract type.

Trust – a fund established by an employer, two or more employers, a labor union, or an association, pursuant to a trust instrument which transfers title to property and/or funds to one or more trustees to be administered as fiduciaries for the benefit of others.

B. Filing Required

1. Pursuant to R.S. 22:620.A, no basic insurance policy form, or application form where written application is required and is to be attached to the policy or be a part of the contract, or printed rider or endorsement form, may be issued or delivered in this state unless and until it has been filed with and approved by the commissioner of insurance. This requirement applies to any group life insurance policy or annuity covering residents of Louisiana where issued or delivered in Louisiana. Every page of each such form, including rider and endorsement forms, filed with the department must be identified by a form number in the lower left corner of the page.

2. A Life and Annuity Transmittal Document must accompany every filing, describing the items included in the filing, the insurance or annuity product for which the filing is being made, and the method of marketing to be used for the product. If the filing will include health insurance to be offered as an optional benefit under the base life insurance contract, the policy forms should be submitted in triplicate, notwithstanding the provisions of Paragraph C.2 hereof, and include the appropriate *Statement of Compliance* for said health insurance product.

C. General Filing Requirements

1. The department shall designate, by directive, those insurance or annuity products which must be filed pursuant to the requirements for *certified approval* as set forth in Subsection F hereof, "Time Periods and Requirements for Certified Approval of Policy Form Filings." A directive issued pursuant to this Subsection may also designate those insurance or annuity products which may, at the discretion of the *insurer*, be filed either pursuant to said requirements for *certified approval*, or as ordinary filings subject to review as set forth in Subsection E hereof. All insurance or annuity products not so designated shall be filed pursuant to the requirements for *compliance review* as set forth in Subsection E hereof, "Time Periods and Requirements for Compliance Review of Basic Insurance Policy Forms."
2. Other than as specified in Subsection D hereof, "Exceptions," only complete filings will be accepted, whether by mail or as otherwise authorized. In order for the department to conduct a proper compliance review or compliance audit of an insurance or annuity product, all items associated therewith must be included. A filing will be determined incomplete and will be disapproved if it does not contain all applicable items.
 - a. All filings of individual life insurance or annuity products must include, in final wording, the following items, in order:
 - i. required filing fee, per insurance or annuity product, per company;
 - ii. completed Life and Annuity Transmittal Document, as prescribed by the department;
 - iii. *Statement of Compliance* for said product;
 - iv. policy forms filed for approval, in duplicate;
 - v. application form, in duplicate;
 - vi. *rider* or endorsement forms, in duplicate;
 - vii. actuarial memorandum describing the statutory reserves and non-forfeiture values that will be used for each plan of insurance, in duplicate;
 - viii. life illustrations, if illustrated, in duplicate; and
 - ix. stamped, self-addressed envelope of sufficient size for use in returning the company's set of the policy forms filed, unless filed electronically.
 - b. Filings of all group life and annuity products must include, in final wording, the following:
 - i. required filing fee, per insurance or annuity product, per insurance company;
 - ii. completed Life and Annuity Transmittal Document, as prescribed by the department;
 - iii. *Statement of Compliance* for said product;
 - iv. group master contract, in duplicate;
 - v. individual certificate, in duplicate;
 - vi. group application, in duplicate;
 - vii. *rider* or endorsement forms, in duplicate;

- viii. employee/member enrollment forms, in duplicate;
 - ix. actuarial memorandum describing the statutory reserves and non-forfeiture values that will be used for each plan of insurance, in duplicate; and
 - x. stamped, self-addressed envelope of sufficient size for use in returning the company's set of the policy forms filed, unless filed electronically.
- c. Filings of group life and annuity products intended for issue to an association are limited to associations as defined herein, and must include the association's constitution, by-laws, membership application, membership agreement and brochure of membership benefits other than the insurance products offered.
- d. Filings of group life and annuity products intended for issuance to a *trust* are limited to *trusts* established by an employer or association and must include the *trust* agreement, articles of incorporation or other instrument creating the *trust*, and member adoption agreement. If the *trust* was established by an association, include the information described in Subparagraph C.2.c hereof. This subsection shall not apply not apply to trusts established by qualified or government pension plans.
- e. Filings of amendatory *riders* or endorsements as needed to bring into compliance with law any existing insurance or annuity products that have been previously approved and are currently in force, but are no longer being marketed, must include specimen copies of the previously approved forms, the dates previously approved, and the specific terms and provisions being amended, underlined in red or otherwise noted. The transmittal letter should advise that the previously approved form is no longer being marketed.

D. Exceptions. Exceptions to the requirements for a complete filing may be allowed, at the discretion of the department, subject to the conditions stated herein, for the following policy forms.

1. Application forms to be used with a particular insurance or annuity product, or with multiple insurance or annuity products, provided that the policy form filings and dates approved are identified for each previously approved product with which the application form will henceforth be used and, the application form is included with any subsequently filed basic insurance or annuity policy forms as needed to constitute a complete filing. No filings fees will be required for these filings.
2. Assumption certificates, which must be filed in duplicate, with a single copy of the assumption agreement, letter of domiciliary state approval, information fully identifying the block of business being assumed, the number of covered lives residing in the state of Louisiana to be affected by the assumption, and the effective date of the assumption. No filing fees will be required for these filings.
3. *Riders* or endorsement forms affecting previously approved life insurance or annuity products, provided that the policy form filings and dates approved are identified for each previously approved product with which the rider or endorsement form will henceforth be used. No filing fees will be required for these filings. The rider or endorsement forms shall be included with any subsequently filed basic insurance policy forms as needed to constitute a complete filing.
4. Forms for lines of insurance or insurance products specifically exempted pursuant to statute.

E. Time Periods and Requirements for Compliance Review of Basic Insurance Policy Forms

1. The time periods stated in this Section do not begin until the date a complete filing, or a filing pursuant to Subsection D hereof, "Exceptions," is received by the department.
2. If a filing made is incomplete, notice of disapproval in accordance with R.S. 22:621(6) will be issued for failure to comply with the requirements of this Regulation.
3. A basic insurance policy form must be submitted to the department in accordance with the General Filing Requirements of this Section no less than 45 days in advance of planned issuance, delivery or use.
4. If affirmatively approved by the department prior to expiration of the 45-day period allowed for department review of a filing, the policy forms filed may be used on or after the date approved.
5. If disapproved, the policy forms filed may not be used.
6. At the expiration of 45 days, if no order has been issued affirmatively approving or disapproving a filing, the *insurer* may submit written notice to the department that the filing has been deemed approved on a specific date, or advise when the filing is withdrawn from consideration. Deemed approval shall not be effective until the *insurer* has so notified the department, by either ordinary mail, facsimile transmission or electronic mail.
7. The commissioner of insurance may send written notice prior to expiration of the initial 45-day period extending the time allowed for approval or disapproval by an additional 15 days.
 - a. If affirmatively approved by order of the commissioner prior to expiration of the 15-day extended period allowed for department review, the policy forms filed may be used on or after the date approved.
 - b. At the expiration of the 15-day extended period, if no order has been issued affirmatively approving or disapproving the policy form filing, the *insurer* may submit written notice to the department that the policy forms filing has been deemed approved on a specific date, or advise when the policy forms filing is withdrawn from consideration. Deemed approval shall not be effective until the *insurer* has so notified the department, by either ordinary mail, facsimile transmission or electronic mail.

F. Time Periods and Requirements for Certified Approval of Policy Form Filings

1. The department will make available "Statements of Compliance" setting forth the statutory and regulatory requirements specific to the various forms of coverage and contract types, as well as *Certification of Compliance* forms.
2. A policy form filing submitted for *certified approval* must include the following documents: a. *Statement of Compliance* applicable to the form of coverage and contract type being submitted; b. signed and dated *Certification of Compliance*; c. all other items as set forth in Paragraph C.2 hereof.
3. If the filing is incomplete, notice of disapproval in accordance with R.S. 22:621(6) will be issued for failure to comply with the requirements of this Regulation.

4. At the expiration of 15 days from acknowledged receipt of a filing by the department, if no order has been issued affirming *certified approval* or disapproving the policy form filing, the *insurer* may submit written notice to the department that the policy forms filing has been deemed approved on a specific date, or advise when the policy forms filing is withdrawn from consideration. Deemed approval shall not be effective until the *insurer* has so notified the department, by either ordinary mail, facsimile transmission or electronic mail.
5. No *insurer*, or officer, employee or representative of an *insurer*, shall file a *Certification of Compliance* containing false attestations, or from which material facts or information have been omitted. In the event that the department subsequently learns that a *Certification of Compliance* contained any inaccuracies, false attestations, or material omissions, approval of the subject forms may be withdrawn, and the *insurer* may be subjected to the provisions of Subsection I hereof.

G. Resubmission of Filings

1. When submitting revised forms in response to an order of disapproval, or withdrawal of approval, whether issued pursuant to Subsection E, Subsection F or Subsection I hereof, the revised forms will constitute a new filing; must be a complete filing as set forth in Subsection C hereof, "General Filing Requirements"; and, in addition to the required filing fee, must include:
 - a. an outline of the proposed revisions, referencing the specific sections and page numbers for each form being revised;
 - b. a restatement of the form with all necessary revisions, as set forth in the prior order of disapproval, underlined in red or similarly emphasized; and
 - c. a copy of the prior order of disapproval, or withdrawal of approval, issued by the department on the previous filing.
2. When submitting revisions to previously approved forms, the revised forms will constitute a new filing; must be a complete filing as set forth in Subsection C hereof, "General Filing Requirements"; and, in addition to the required filing fee, must include:
 - a. copy of the previously approved form;
 - b. an outline of the proposed revisions, referencing the specific sections and page numbers for each previously approved form being revised;
 - c. a restatement of the form, with all proposed revisions underlined in red or similarly emphasized; and
 - d. a copy of the prior order of approval, issued by the department on the previous filing.
3. For simplicity, it is advisable that a unique form number be assigned to a substantially rewritten form, and that such form be filed as an original filing.

H. Compliance and Audits

1. Approval of a basic insurance policy form does not assure perpetual compliance. Following subsequent changes in applicable law, *insurers* shall not fail to revise and file updated insurance products, or amendatory riders or endorsements where appropriate, with the department for approval as required to maintain continuous compliance with the current requirements of law. This provision shall apply to all new business issued, or in-force business renewed, following any such subsequent changes in applicable law, or as otherwise determined by the Louisiana Legislature.

2. A retrospective review process will be utilized to verify compliance of approved filings and to assure that all approved filings remain in compliance with currently applicable law. Compliance audits may be conducted by random selection, prompted by complaints filed with the department or requests for information made by the department, or performed during the course of examinations conducted by the department.
3. *Insurers* shall notify the department in writing to advise when a previously approved basic insurance policy form will no longer be marketed in this state and is being permanently withdrawn from the market. Such notification shall also advise whether or not coverage issued in this state under the policy form remains in force and whether or not such existing business will continue to be renewed. The notification shall provide the policy form numbers being discontinued and dates originally approved by this department.

I. Withdrawal of Approval and Corrective Action

1. The department shall withdraw any *affirmative approval* of a filing previously granted, or withdraw any approval of a filing previously deemed approved by an *insurer*, if the department determines that any of the reasons for disapproval as stated in R.S. 22:621 apply to the filing in question. The notice of withdrawal of approval by the department shall state that such withdrawal of approval is effective 30 days after receipt of such notice by the affected *insurer*.
 - a. The affected *insurer* may request a hearing on the withdrawal of approval, by written request mailed to the department within 30 days of receipt of the notice of withdrawal of approval.
 - b. Upon receipt by the department of a request for a hearing, the 30-day notice period precedent to withdrawal of approval being effective shall be suspended for the duration of the hearing process, and shall recommence upon the date of a ruling adverse to the *insurer* requesting the hearing. Such suspension of the notice of withdrawal of approval shall be applicable to Paragraphs I.2, 3, 4 and 5 hereof.
2. Upon receipt of the notice of withdrawal of approval by the department, the affected *insurer* must:
 - a. immediately amend its procedures to assure that all in-force business is properly administered in accordance with the findings stated in the withdrawal of approval;
 - b. immediately review and ascertain any negative impact upon covered persons caused directly or indirectly by non-compliant provisions of the forms for which approval has been withdrawn; and
 - c. immediately review other products being marketed by the *insurer* to assure that they do not contain such non-compliant provisions.
3. Within 30 days of receipt of the notice of withdrawal of approval by the department, a corrective action plan must be submitted to the department by the affected *insurer*. The corrective action plan must include the following.
 - a. If the affected product will no longer be marketed, amendatory endorsement forms or rider forms to affect any in-force business written utilizing the noncompliant forms, correcting all areas of non-compliance as stated in the withdrawal of approval by the department; and a prototype of the notice to be utilized in notifying any affected policyholders of the changes to their existing coverage.

- b. If the *insurer* desires to continue marketing the affected product, both:
 - i. a complete filing of properly revised forms in accordance with Paragraph G.1 hereof; and
 - ii. amendatory endorsement forms or *rider* forms to affect any in-force business written utilizing the noncompliant forms, correcting all areas of non-compliance as stated in the withdrawal of approval by the department; and a prototype of the notice to be utilized in notifying any affected policyholders of the changes to their existing coverage.
- c. Where such a required change can be clearly explained to prospective policyholders through amendatory endorsement forms or rider forms, an insurer may request department approval to utilize its existing inventory of the policy forms in question subject to the incorporation of approved amendatory endorsement forms or rider forms. Such approval shall not extend to any reprinting of such forms.
- 4. As of 30 days following receipt of the notice of withdrawal of approval by the department, an affected product shall not be issued by the *insurer*, except in accordance with a corrective action plan approved by the department. The *insurer* has the obligation to timely notify its marketing force, or to otherwise adjust its business operations, accordingly.
- 5. The department may, in its discretion, extend the 30-day period for approval of a corrective action plan, upon the written request of the affected *insurer* and for good cause shown. In the event such an extension is granted, the date by which the *insurer* must cease issuing the affected product, except in accordance with a corrective action plan approved by the department, shall likewise be so extended.
- 6. Failure to timely respond as required herein shall result in a formal investigation to establish the extent of statutory violations, followed by an administrative hearing to determine appropriate sanctions against the *insurer*.
- 7. Where the department fails to respond to a corrective action plan filed by an insurer, or takes no action whatsoever regarding such plan, the insurer may deem the subject corrective action plan approved at the expiration of the 30-day period for approval by the department.

J. Appeals; Hearings. Any *insurer* or other person aggrieved by a failure to approve any filing, or the disapproval of any filing, or the withdrawal of approval of any filing, or any related action taken by the department pursuant to this Section, may request an administrative hearing in accordance with the provisions of Part XXIX of Title 22 of the Louisiana Revised Statutes. Pursuant to R.S. 22:1351, such demand must be in writing, must specify in what respects the company is aggrieved and the grounds to be relied upon as basis for relief to be demanded at the hearing, and must be made within 30 days of receipt of actual notice or, if actual notice is not received, within 30 days of the date such *insurer* or other person learned of the act, or failure to act, upon which the demand for hearing is based.

K. Maintenance of Records; Alteration of Forms Prohibited

1. Every *insurer* or other person filing policy forms, or related forms, for approval by the department shall maintain in their files the original set of any and all forms as returned by the department, along with all related correspondence and transmittal documents from the department. Alternatively, images of such documents may be maintained in electronic/digital form. Such files shall be available for inspection by the department upon request, and must be maintained until the forms have been withdrawn from the market in accordance with Paragraph H.3 hereof and no coverage issued on risks in this state utilizing such forms remains in force.
2. The alteration of, or any change to, any such form approved by the department is prohibited. Any such altered or changed form shall be submitted to the department as a new filing, and shall comply with all provisions of this Section applicable to a new filing. This Subsection shall not apply to typographical corrections and format improvements that do not affect the terms, provisions or clarity of the product.
3. A change of company name or logo, a change of address, and changes in listed officers do not require a new filing of forms when the department is otherwise properly notified of such change, and a copy of such notification is maintained on file by the *insurer*.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and *Directive* 169.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 28:2544 (December 2002).

§10113. Filing and Review of Property and Casualty Insurance Policy Forms and Related Matters

- A. Definitions.** As used in this Section, the following terms shall have the meaning or definition as indicated herein.

Affirmative Approval – department approval, as a result of the department taking action, following *Compliance Review* of a complete filing, or a filing pursuant to Subsection D hereof.

Basic Insurance Policy Form – an insurance contractual agreement delineating the terms, provisions and conditions of a particular insurance product. It includes endorsements, and application forms where written application is required and is to be attached to the policy or be a part of the contract. It does not include policies, riders, or endorsements designed, at the request of the individual policyholder, contract holder, or certificate holder, to delineate insurance coverage upon a particular subject or which relate to the manner of distribution of benefits or to the reservation of rights and benefits under such policy.

Certification of Compliance – certification by an *insurer*, executed by an officer or authorized representative of the *insurer* on a form prescribed by the department, that upon knowledge and belief a filing is complete and in compliance with all applicable statutes, and rules and regulations promulgated by the department. A *Certification of Compliance* must be included with any filing for *certified approval*.

Certified Approval – expedited approval by the department of a complete filing based upon the inclusion of a *Statement of Compliance* and a *Certification of Compliance*, executed by an officer or authorized representative of the filing *insurer* on forms prescribed by the department. The department shall by *Directive* determine those specific types of coverage and particular types of contracts for which the Certified Approval procedure is either required or available at the option of the *insurer*.

Complete Filing – the filing of a single insurance product, including any required filing fees, a basic insurance policy form, application form to be attached to the policy or be a part of the contract, all items required under Subsection C hereof, "General Filing Requirements," and any other requirements as may be set forth in the applicable *Statement of Compliance*.

Compliance Audit – a retrospective review conducted by the department of previously approved basic insurance policy forms to determine compliance with applicable law.

Compliance Review – department review of a filing made pursuant to this Section to determine either that the filing is in compliance with all applicable statutes, rules and regulations, or that the filing should be disapproved for noncompliance.

Deemed Approval – approval of a complete filing based upon notice, as provided herein, made to the department by the filing *insurer*, following expiration of the specific time periods as provided herein, where Affirmative approval has not been granted and the filing has not been disapproved by the department.

Department – the Louisiana Department of Insurance, and includes the commissioner of insurance.

Endorsement – a written agreement attached to an insurance product to add or subtract coverage, or otherwise modify the product.

Filing Organization – an entity authorized by the Louisiana Insurance Rating Commission to act as an advisory or rating organization on behalf of its members and subscribers.

Insurance Product – a basic insurance policy form delineating the terms, provisions and conditions of a specific type of coverage under a particular type of contract, or a basic insurance policy form which combines more than one line of business within one policy form at a single premium.

Insurer – every person engaged in the business of making contracts of insurance, as further defined in R.S. 22:5.

Method of Marketing – marketing either through independent or captive agents; telephone, email or direct mail solicitation; groups, organizations, associations or trusts; and/or the Internet.

Rate/Rule Approval – a department notice addressed to an *insurer* granting authorization to implement or revise rates and/or rules on a specified date.

Required Filing Fee – the fee assessed per product or filing pursuant to state insurance law.

Rider – an endorsement to an insurance product that modifies clauses and provisions of the product, including adding or excluding coverage.

Statement of Compliance – a form prescribed by the department detailing the requirements specific to a particular form of coverage and contract type.

B. Filing Required

1. Pursuant to R.S. 22:620.A, no basic insurance policy form, other than surety bond forms, or application form where written application is required and is to be attached to the policy or be a part of the contract, or printed rider or endorsement form, may be issued or delivered in this state unless and until it has been filed with and approved by the commissioner of insurance. Every page of each such form, including rider and endorsement forms, filed with the department must be identified by a form number in the lower left corner of the page.
2. A Property and Casualty Transmittal Document must accompany every filing, describing the items included in the filing, the insurance product for which the filing is being made, and the method of marketing to be used for the product.

C. General Filing Requirements

1. The department shall designate, by directive, those insurance products which must be filed pursuant to the requirements for *certified approval* as set forth in Subsection F hereof, "Time Periods and Requirements for Certified Approval of Policy Form Filings," and those insurance products which may, at the discretion of the *insurer*, be filed pursuant to said requirements. All insurance products not so designated shall be filed pursuant to the requirements for Compliance Review as set forth in Subsection E hereof, "Time Periods and Requirements for Compliance Review of Policy Form Filings." Filing organizations are excepted from the mandatory provisions relative to Certified Approval and may, at their option, make filings pursuant to Subsection E hereof.
2. Only complete filings will be accepted, whether by mail or as otherwise authorized. In order for the department to conduct a proper compliance review or compliance audit of an insurance product, all items associated therewith must be included. A filing of a basic insurance policy form will be determined incomplete and will be disapproved if it does not contain all applicable items.
 - a. All filings of an insurance product must include, in final wording, the following items, in order:
 - i. required filing fee, per product, per insurance company; or required filing fee per endorsement filing; per insurance company;
 - ii. forms filed for approval;
 - iii. completed Property and Casualty Transmittal Document, as prescribed by the department;
 - iv. *Statement of Compliance* for said product;
 - v. duplicate set of the policy forms filing, as filed for approval;
 - vi. explanation of any rate/rule impact, with a copy of any rate/rule approval letters issued by the department; if none, so state;

- vii. stamped, self-addressed envelope of sufficient size for use in returning the company's set of the policy forms filed, unless filed electronically.
- 3. An *insurer* may elect to adopt forms submitted by a filing organization, or have a filing organization file forms on its behalf. An *insurer* may request an effective date later than the effective date of the filing by the filing organization. Such adoptions, whether delayed or not, must be requested by letter. The Forms and Compliance Division staff of the department will verify that the *insurer* is a member or subscriber of the filing organization, and that the forms being adopted have been approved by the department.
 - a. Adoptions, including delayed adoptions, are filed for informational purposes only, but the request will be denied if the forms proposed for adoption are not approved by the department. To receive an acknowledgement of filing, the *insurer's* request must contain the following items, in order:
 - i. required filing fee, per adoption, per insurance company whether or not delayed;
 - ii. reference to the filing organization's identification/code number;
 - iii. line of business;
 - iv. name of the program; and
 - v. stamped, self-addressed envelope of sufficient size for use in returning the *insurer's* cover letter bearing the department's stamp of acknowledgement, or disapproval of an adoption.
 - b. An *insurer* may elect to non-adopt forms submitted by a filing organization. Non-adoptions are filed for informational purposes only, and must be submitted by the *insurer*. To receive an acknowledgement of the informational letter, it must contain the following items, in order:
 - i. reference to the filing organization's identification/code number;
 - ii. line of business;
 - iii. name of the program; and
 - iv. stamped, self-addressed envelope of sufficient size for use in returning the *insurer's* cover letter bearing the department's stamp of acknowledgement.

D. Exceptions. Exceptions to the requirements for a complete filing may be allowed, at the discretion of the department, subject to the conditions stated herein, for the following policy forms:

- 1. informational filings, submitted for acknowledgement, for surety bond forms as exempted by R.S. 22:620 A(1);
- 2. filings for certain commercial lines, exempted pursuant to the commercial deregulation laws set by Regulation 72;
- 3. application forms to be used with a particular insurance product, or with multiple insurance products, provided that the policy form filings and dates approved are identified for each previously approved product with which the application form will henceforth be used, and the application form is included with any subsequently filed basic insurance policy forms as needed to constitute a complete filing. No filing fees will be required for these filings;
- 4. forms for lines of insurance or insurance products specifically exempted pursuant to statute.

E. Time Periods and Requirements for Compliance Review of Policy Form Filings

1. The time periods stated in this Section do not begin until the date a complete filing, or a filing pursuant to Subsection D hereof, "Exceptions," is received by the department.
2. If a filing made is incomplete, notice of disapproval in accordance with R.S. 22:621(6) will be issued for failure to comply with the requirements of this Regulation.
3. A basic insurance policy form must be submitted to the department in accordance with the General Filing Requirements of this Section no less than 45 days in advance of planned issuance, delivery or use.
4. If affirmatively approved by order of the commissioner prior to expiration of the 45-day period allowed for department review of a filing, the policy forms filed may be used on or after the date approved.
5. If disapproved, the policy forms filed may not be used.
6. At the expiration of 45 days, if no order has been issued affirmatively approving or disapproving a filing, the *insurer* may submit written notice to the department that the filing has been deemed approved on a specific date, or advise when the filing is withdrawn from consideration. Deemed approval shall not be effective until the *insurer* has so notified the department, by either ordinary mail, facsimile transmission or electronic mail.
7. The commissioner of insurance may send written notice prior to expiration of the initial 45-day period extending the time allowed for approval or disapproval by an additional 15 days.
 - a. If affirmatively approved by order of the commissioner prior to expiration of the 15-day extended period allowed for department review, the policy forms filed may be used on or after the date approved.
 - b. At the expiration of the 15-day extended period, if no order has been issued affirmatively approving or disapproving the policy form filing, the *insurer* may submit written notice to the department that the policy forms filing has been deemed approved on a specific date or, advise when the policy forms filing is withdrawn from consideration. Deemed approval shall not be effective until the *insurer* has so notified the department, by either ordinary mail, facsimile transmission or electronic mail.

F. Time Periods and Requirements for Certified Approval of Policy Form Filings

1. The department will make available *Statements of Compliance* setting forth the statutory and regulatory requirements specific to the various forms of coverage and contract types, as well as *Certification of Compliance* forms.
2. A policy form filing submitted for *certified approval* must include the following documents.
 - a. *Statement of Compliance* applicable to the form of coverage and contract type being submitted.
 - b. Signed and dated *Certification of Compliance*.
 - c. All other items as set forth in Paragraph C.2 hereof.
3. If the filing is incomplete, notice of disapproval in accordance with R.S. 22:621(6) will be issued for failure to comply with the requirements of this Regulation.

4. At the expiration of 15 days from acknowledged receipt of a filing by the department, if no order has been issued affirming *certified approval* or disapproving the policy form filing, the *insurer* may submit written notice to the department that the policy form filing has been deemed approved on a specific date, or advise when the policy form filing is withdrawn from consideration. Deemed approval shall not be effective until the *insurer* has so notified the department, by either ordinary mail, facsimile transmission or electronic mail.
5. No *insurer*, or officer, employee or representative of an *insurer*, shall file a *Certification of Compliance* containing false attestations, or from which material facts or information have been omitted. In the event that the department subsequently learns that a *Certification of Compliance* contained any inaccuracies, false attestations, or material omissions, approval of the subject forms may be withdrawn, and the *insurer* may be subjected to the provisions of Subsection I hereof.

G. Resubmission of Filings

1. When submitting revised forms in response to an order of disapproval, or withdrawal of approval, whether issued pursuant to Subsection E, Subsection F or Subsection I hereof, the revised forms will constitute a new filing; must comply with all provisions of this Section for such a filing; and, in addition to the required filing fee, must include:
 - a. an outline of the proposed revisions, referencing the specific sections and page numbers for each form being revised;
 - b. a restatement of the form with all necessary revisions, as set forth in the prior order of disapproval, underlined in red or similarly emphasized; and
 - c. a copy of the prior order of disapproval, or withdrawal of approval, issued by the department on the previous filing.
2. When submitting revisions to previously approved forms, the revised forms will constitute a new filing; must be a complete filing as set forth in Subsection C hereof, "General Filing Requirements"; and, in addition to the required filing fee, must include:
 - a. a copy of the previously approved form;
 - b. an outline of the proposed revisions, referencing the specific sections and page numbers for each previously approved form being revised;
 - c. a restatement of the form, with all proposed revisions underlined in red or similarly emphasized; and
 - d. a copy of the prior order of approval, issued by the department on the previous filing.
3. For simplicity, it is advisable that a unique form number be assigned to a substantially rewritten form, and that such form be filed as an original filing.

H. Compliance and Audits

1. Approval of a basic insurance policy form does not assure perpetual compliance. Following subsequent changes in applicable law, *insurers* shall not fail to revise and file updated insurance products, or amendatory *riders* or endorsements where appropriate, with the department for approval as required to maintain continuous compliance with the current requirements of law. This provision shall apply to all new business issued, or in-force business renewed, following any such subsequent changes in applicable law, or as otherwise determined by the Louisiana Legislature.

2. A retrospective review process will be utilized to verify compliance of approved filings and to assure that all approved filings remain in compliance with currently applicable law. Compliance audits may be conducted by random selection, prompted by complaints filed with the department or requests for information made by the department, or performed during the course of examinations conducted by the department.
3. *Insurers* shall notify the department in writing to advise when a previously approved basic insurance policy form will no longer be marketed in this state and is being permanently withdrawn from the market. Such notification shall be sent 30 days prior to the market end date and shall also advise whether or not coverage issued in this state under the policy form remains in force and whether or not such existing business will continue to be renewed. The notification shall provide the policy form numbers being discontinued and dates originally approved by this department. The *insurer* may request acknowledgement of such notification.

I. Withdrawal of Approval and Corrective Action

1. The department shall withdraw any affirmative approval of a filing previously granted, or withdraw any approval of a filing previously deemed approved by an *insurer*, if the department determines that any of the reasons for disapproval as stated in R.S. 22:621 apply to the filing in question. The notice of withdrawal of approval by the department shall state that such withdrawal of approval is effective 30 days after receipt of such notice by the affected *insurer*.
 - a. The affected *insurer* may request a hearing on the withdrawal of approval, by written request mailed to the department within 30 days of receipt of the notice of withdrawal of approval.
 - b. Upon receipt by the department of a request for a hearing, the 30-day notice period precedent to withdrawal of approval being effective shall be suspended for the duration of the hearing process, and shall recommence upon the date of a ruling adverse to the *insurer* requesting the hearing. Such suspension of the notice of withdrawal of approval shall be applicable to Paragraphs I.2, 3, 4, and 5 hereof.
2. Upon receipt of the notice of withdrawal of approval by the department, the affected *insurer* must:
 - a. immediately amend its procedures to assure that all in-force business is properly administered in accordance with the findings stated in the withdrawal of approval;
 - b. immediately review and ascertain any negative impact upon covered persons caused directly or indirectly by non-compliant provisions of the forms for which approval has been withdrawn; and
 - c. immediately review other products being marketed by the *insurer* to assure that they do not contain such non-compliant provisions.
3. Within 30 days of receipt of the notice of withdrawal of approval by the department, a corrective action plan must be submitted to the department by the affected *insurer*. The corrective action plan must include the following.
 - a. If the affected product will no longer be marketed, amendatory endorsement forms or rider forms to affect any in-force business written utilizing the noncompliant forms, correcting all areas of non-compliance as stated in the withdrawal of approval by the department; and a prototype of the notice to be utilized in notifying any affected policyholders of the changes to their existing coverage.

- b. If the *insurer* desires to continue marketing the affected product, both:
 - i. a complete filing of properly revised forms in accordance with Paragraph G.1 hereof; and
 - ii. amendatory endorsement forms or *rider* forms to affect any in-force business written utilizing the noncompliant forms, correcting all areas of non-compliance as stated in the withdrawal of approval by the department; and a prototype of the notice to be utilized in notifying any affected policyholders of the changes to their existing coverage.
- c. Where such a required change can be clearly explained to prospective policy holders through amendatory endorsement forms or rider forms, an insurer may request department approval to utilize its existing inventory of the policy forms in question subject to the incorporation of approved amendatory endorsement forms or rider forms. Such approval shall not extend to any reprinting of such forms.
- 4. As of 30 days following receipt of the notice of withdrawal of approval by the department, an affected product shall not be issued by the *insurer*, except in accordance with a corrective action plan approved by the department. The *insurer* has the obligation to timely notify its marketing force, or to otherwise adjust its business operations, accordingly.
- 5. The department may, in its discretion, extend the 30-day period for approval of a corrective action plan, upon the written request of the affected *insurer* and for good cause shown. In the event such an extension is granted, the date by which the *insurer* must cease issuing the affected product, except in accordance with a corrective action plan approved by the department, shall likewise be so extended.
- 6. Failure to timely respond as required herein shall result in a formal investigation to establish the extent of statutory violations, followed by an administrative hearing to determine appropriate sanctions against the *insurer*.
- 7. Where the department fails to respond to a corrective action plan filed by an insurer, or takes no action whatsoever regarding such plan, the insurer may deem the subject corrective action plan approved at the expiration of the 30-day period for approval by the department.

J. Appeals; Hearings. Any *insurer* or other person aggrieved by a failure to approve any filing, or the disapproval of any filing, or the withdrawal of approval of any filing, or any related action taken by the department pursuant to this Section, may request an administrative hearing in accordance with the provisions of Part XXIX of Title 22 of the Louisiana Revised Statutes. Pursuant to R.S. 22:1351, such demand must be in writing, must specify in what respects the company is aggrieved and the grounds to be relied upon as basis for relief to be demanded at the hearing, and must be made within 30 days of receipt of actual notice or, if actual notice is not received, within 30 days of the date such *insurer* or other person learned of the act, or failure to act, upon which the demand for hearing is based.

K. Maintenance of Records; Alteration of Forms Prohibited

1. Every *insurer* or other person filing policy forms, or related forms, for approval by the department shall maintain in their files the original set of any and all forms as returned by the department, along with all related correspondence and transmittal documents from the department. Alternatively, images of such documents may be maintained in electronic/digital form. Such files shall be available for inspection by the department upon request, and must be maintained until the forms have been withdrawn from the market in accordance with Paragraph H.3 hereof and no coverage issued on risks in this state utilizing such forms remains in force.
2. The alteration of, or any change to, any such form approved by the department is prohibited. Any such altered or changed form shall be submitted to the department as a new filing, and shall comply with all provisions of this Section applicable to a new filing. This Subsection shall not apply to typographical corrections and format improvements that do not affect the terms, provisions or clarity of the product.
3. A change of company name or logo, a change of address, and changes in listed officers do not require a new filing of forms when the department is otherwise properly notified of such change, and a copy of such notification is maintained on file by the *insurer*.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and *Directive* 169.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 28:2548 (December 2002).

§10115. Penalties

- A. Pursuant to R.S. 22:1462.1, "False or Fraudulent Material Information," in accordance with all provisions thereof, and specifically applicable to all documents required by this regulation.
 1. It shall be unlawful for any person to intentionally and knowingly supply false or fraudulent material information pertaining to any document or statement required by the Department of Insurance.
 2. Whoever violates the provisions of this Section shall be imprisoned, with or without hard labor, for not more than five years, or fined not more than \$5,000, or both.
- B. Pursuant to R.S. 22:1214(12), in accordance with all provisions thereof, any violation of a prohibitory provision of this Regulation shall constitute an unfair trade practice, and, after proper notice and hearing as specified by statute, may subject the *insurer* and its officer(s) or representative(s) to:
 1. the provisions of R.S. 22:1217, including:
 - a. payment of a monetary penalty of not more than \$1,000. for each and every act or violation, but not to exceed an aggregate penalty of \$100,000 unless the person knew or reasonably should have known he was in violation of applicable law, in which case the penalty shall be not more than \$25,000 for each and every act or violation, but not to exceed an aggregate penalty of \$250,000 in any six-month period; and,
 - b. suspension or revocation of the license of the person if he knew or reasonably should have known he was in violation of applicable law.

2. The provisions of R.S. 22:1217.1, including:
 - a. a monetary penalty of not more than \$25,000 for each and every act or violation, not to exceed an aggregate of \$250,000; and
 - b. suspension or revocation of such person's license or certificate of authority.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and *Directive* 169.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 28:2552 (December 2002).

§10117. Effective Date A. This regulation shall become effective on January 1, 2003, or upon final publication in the *Louisiana Register* if after that date.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and *Directive* 169.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 28:2552 (December 2002).

J. Robert Wooley
Acting Commissioner